



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

June 16, 2010

Stoll Keenon Ogden
Attention: Lindsey W. Ingram, III
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801

Re: Kentucky-American Water Company
Petition for Confidential Protection received 3/16/10
PSC Reference – Case No. 2010-00036

Dear Mr. Ingram:

The Public Service Commission has received the Petition for Confidential Protection you filed on March 16, 2010 on behalf of Kentucky-American Water Company ("KAWC"), to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.878. The information you seek to have treated as confidential is identified as being contained in its Responses to PSC D.R. Nos. 2 and 14. The information is more particularly described as (No. 2): containing internal accounting manuals, directives, policies and procedures; and (No. 14): all wage, compensation, employee benefits studies, analyses and surveys used by the company.

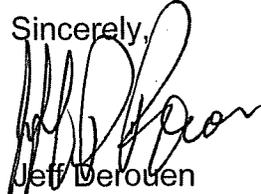
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise KAWC's competitive position in the industry and result in an unfair commercial advantage to its competitors.

Based on a review of the information and pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, the Commission has determined that the information requested to be held confidential is of a proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to KAWC's competitors. Therefore, the information requested to be treated as confidential **meets the criteria for confidential protection** and will be maintained as a nonpublic part of the Commission's file in this case. The procedure for usage of confidential materials during formal proceedings may be found at Section 7(8) of 807 KAR 5:001.

Mr. Ingram
June 16, 2010
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Kentucky-American Water Company is required by Section 8(9)(a) of 807 KAR 5:001 to inform the Commission so that the information may be placed in the public record.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen". The signature is stylized and cursive.

Jeff Derouen
Executive Director

kg/

cc: Parties of Record